

2. A description of the land or house or houses sufficient to enable the same to be identified.

3. The amount of the purchase money.

4. Any other special or material terms of the purchase (other than the ordinary legal terms which are implied by law).

5. The document or documents must be signed by the person to be charged or his authorised agent.

If all the above essentials are found in the letters, etc., passing between the parties, it is not necessary to prepare a fresh formal contract unless the words "subject to formal contract" appear in the letters, although in a good many instances it is desirable to have a proper formal contract, as by such formal contract other important matters may be provided for—as for example the date on which the matter is to be finally completed and the purchase money paid. The absence of this provision as to the date of completion is of importance, as through its omission either party may delay completion indefinitely without any redress by the other party. This defect can, it is true, be subsequently cured by the innocent party giving notice to the defaulting party to complete on a fixed reasonable date,^x but it is far better to have the matter formally fixed from

the very
start.

Where the words "subject to formal contract" or "subject to contract" appear anywhere in the letters exchanged between the parties, it is necessary to have a proper form of contract prepared, even though the essentials of a contract are to be found in the letters. This is because the contract

¹ *Stickney v. Keeble*, [1915] A.C. 386.